



E-RETAILING AND ITS IMPACT IN THE GLOBAL MARKET AND SOCIETY AS A WHOLE

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ABSTRACT

Up until about 25 years ago, it took 15-30 days to reach an order from business to consumers if the business trade was made within the country. And if it was an international sale of products then it could take months to reach the customers. Back in the days the transportation facilities weren't that much good and these detainments happened substantially due to poor transportation system. It also happened due to stock deficiencies, lost orders or wrong shipments. But in today's e-retailing market a consumers have to wait only 1-7 days to receive an order which was placed within the same country. And all the credit can be given to the internet, IT workers and fast transportation system. This implies that in the present times the supply chain to deliver the products has been improved tremendously through the introduction of various shipment businesses and also good road communication system. And this is the main reason that consumers are getting their desired products in stipulated amount of time. Simply, e-retailing or online retailing means the selling of goods and services through the medium of internet. E-retailing consists of Business to Business that is B2B transactions and also Business to Consumer that is B2C transactions of various ranges goods and services. This type of retailing or we can say merchandising substantially depends upon the internet and transportation services. Nowadays, after the pandemic especially the shift of consumers towards the online retailing has sky-rocketed. In the time of Covid-19 Pandemic people could not go out from their homes and for that reason people trusted e-retailing for their day-to-day purchases. Today we can see that in almost every possible scenario we use some form of e-retailing due to its convenience.

However, while e-retailing has its benefits, it also presents some challenges for the society. The increase of e-retailing has led to concerns about losing jobs in traditional retail sectors, which can have some serious implications for local economies and cultural diversity.

KEYWORDS: E-Retailing, Global Retail Industry, E-Commerce, Consumer, Internet, Transportation Services

INTRODUCTION

E-retailing or online retailing has been around in the business industry since long time. And now a day with the improvement of technologies-retailing has become important for effective functioning of business and also for consumer satisfaction. The companies who are in the process of selling inventories can deliver their products faster and can reach a large number of consumers with the help of internet. This also allows the consumers the freedom to choose from variety of goods with click of a button. The consumers can also return those goods if not liked, and the company will collect it from their respective homes. This gives the consumers liberty to try and buy goods without any interaction with physical shops which is very convenient for the consumers. The company can also sell those products and services to another business with the help of e-retailing. Now-a-days 'services' are also very popular in the e-retailing industry. For example, if a consumer (an individual or business) wants to buy a custom logo for their business can easily get it within 24- 48 hours with the help of various freelance logo makers who sell their works online for exchange of money. And we can easily understand the convenience factor working in this process for the consumers as well as the business.

Objective of the Study

This study is very important to know about the actual position of e-retailing in the Global retail industry. This study focuses on the function and operation of e-retailing. There are various reasons for which a business enterprise wants to boost its e-commerce sales. This study will help to shed the light towards various important factors which impacts the e-retailing of a business and also will provide the information about how important e-retailing is for the whole retail industry. This will also shed light on consumer behavior aspect of e-retailing.

METHODOLOGY

This research is conducted with the help of Qualitative method to assess the data. This topic calls for some secondary set of data, which are collected through various websites, books and articles which could be considered as raw set of data. Primary data will be used by the researcher whenever possible.

Area of the research

The area of the study is the Global retail industry as a whole. In today's times, where the online retailing or e-retailing is booming we need to understand the view of the consumers in this global space. So, the research is conducted taking into consideration the whole Global market.

E-Retailing and its impact in the Global retailing industry and Society as a whole:

The international market is witnessing a dynamic trend called e-retailing or electronic retailing. This has practically revolutionized the global retail industry all over the globe. The phenomenon of online shopping has changed the way we shop and live, making it very much convenient for people to access anything from anyplace. The exponential growth of electronic retail platforms in the last two decades, particularly after 2020 because of covid-19, Others have turned to virtual markets.

There are few major impacts of e-retailing which are stated below:-

- 1. E-retailing provides expanded Market Reach:** While traditional retail approach has always been geographically limited, E-retailing allows retailers to now expand their businesses globally. It has banished the geographical barriers which allowed the firms to reach a global audience. E-retailing on the other hand can help small companies compete internationally while large corporations increase their customer base outside domestic boundaries.
- 2. E-retailing transformed consumer selection and ease:** Currently, the consumers have an opportunity to purchase a limitless number of items from all over the world through online shopping. In today's market for e-retailing, a customer has got an option to compare prices or read reviews before procuring any commodity from the comfort of their homes. These kinds of shopping experiences has led to improvement in preferences among the consumers as well as convenience and personalized shopping experience. This ultimately resulted into increased sales.
- 3. E-retailing also promoted Competition level and Price Transparency:** The Global recognition and spread of e-retailing have increased competition among companies leading to reduction in prices for buyers. In today's global market for online retailing price transparency is practically the most important aspect of online shopping, and it pushed retailers up against the wall forcing them into optimizing their pricing strategies and offering competitive deals for consumers so that they can choose wisely between their desired selections of products.
- 4. E-retailing Disrupted the traditional Retail Landscape:** E-retailing has disrupted traditional brick and mortar retail landscapes whereby there were physical stores and buyers used to shop by visiting these stores depending on their needs, but with implementation of e-retail many physical stores have been shut down and others are converted into hybrid models, where the shops have both their physical models with an online platform where customers can buy from. This new development has forced traditional retailers to adjust their strategies to include an online shopping channel and ensure a consistent customer experience across all touch points.
- 5. E-retailing has given rise to New business Models and Innovations:** E-retailing has provided a basis upon which businesses can come up with new business models and creative means of doing online trade. Nowadays we can also see different services offered by using e-retailing. For instance, social commerce, some subscription-based

services like OTT platforms or even personalized product recommendations are only few examples how the whole way of consumer engagement for firms is changed through e-retailing.

- 6. E-retailing has Globalized Supply Chains and Logistics system:** E-retailing has postulated the development of efficient and sophisticated global supply chain which ultimately resulted in the increased volume of sales in domestic as well as international transactions. This has ultimately led to advancements in logistic handling, warehousing, and transportation facilities in the international e-retailing market.
- 7. E-retailing has Impacted on Employment and Skill:** The field of electronic retailing provides opportunities for employment creations particularly in e-commerce marketing, logistics, management and consumer services among others. Nonetheless, job cuts have been experienced in traditional retail sectors. In addition, there are several digital marketing platforms that have increased the demand for skills in data analysis and technology.
- 8. E-retailing has considered various Environmental factors:** Online retailing or e-retailing is capable of reducing carbon emissions that are associated with traditional Brick-and-mortar business models through reducing operating number of stores, large number of warehousing etc. However, there is still an environmental concern on how an item is packed to be shipped as well as returns made by the dissatisfied consumers. Mitigating the environmental footprint of e-commerce demands sustainable practices and initiatives. This has been seen in today's global e-retailing market where innovative and sustainable practices are followed by different brands and environment friendly brands are increasing at a fast rate, mostly because consumers prefer these brands more.

In general, e-retailing has redefined the global market place that resulted into significant changes of consumer behavior, business models and the global economy. Indeed, as e-commerce continues to evolve it will be transformative in future trade.

Advantages of E-Retailing

Businesses of all sizes and industries can benefit greatly from e-commerce. One key advantage is the ability for sellers to reach an audience through retailing. Moreover e-commerce can help businesses cut down on costs. Regardless of their size or industry companies can reap benefits from engaging in e-commerce activities. While most traditional retail stores require large sums of money to be spent on rent, utilities and labor among other expenses associated with operating a retail space; an e-retailing industry can exist with minimal physical infrastructure in place thus minimizing such costs.

In addition to reducing costs, this situation provides firms with opportunities to price their products more flexibly. Moreover, e-retailing gives businesses insight into what customers prefer doing thus enabling them to collect various facts about consumer's buying patterns and tastes. This information can be used in different campaigns in the future, tailor-made marketing messages, for example when a product is advancing

its functions so as to enhance customer experience accordingly.

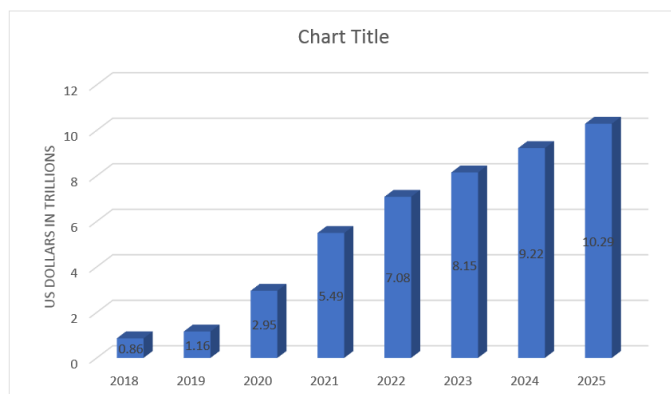
It may therefore be argued that, e-retailing assists organizations to operate worldwide no matter what size or type of industry they are in; hence even small business owners can have access to global marketplace.

Challenges and Risks of E-Retailing

E-retailing along with its various advantages also poses some threats to the business industry. The most crucial disadvantages of e-retailing are the threat of cyber-crime. A consumer's data; if not protected properly by the e-retailer can face identity theft, money scams, personal information theft etc. Another thing that makes e-retailing an issue is job losses in traditional retail sector because more and more consumers are shifting their shopping habits towards e-retailing, which may make traditional retail jobs disappear soon. This has implications for individuals as well as communities that depend on these jobs for their subsistence.

Moreover, the globalization of products through e-retailing or online marketing has led to concerns regarding the collapse of local economies and cultural diversity. Due to consumers having access to goods from all over the world, local enterprises may find it hard to match up with such demands. As a result, this can lead to standardization of products and loss of distinct cultural offerings.

To deal with these problems, Cyber security measures should be given priority by e-retailers for protecting customer data. Governments and other bodies need to invest on jobs including various other training programs which would support growth of indigenous business so as to retain cultural diversity.



Source: Cybercrime Expected to Skyrocket in coming years (e-article, www.statista.com)

In this chart we can see that how the cyber-crime rates are going to skyrocket in the upcoming years. This is not good for the e-retailing industry as a whole. As e-retailing industry depends upon the internet system, if cyber-crime rates increases then the e-retailing industry will suffer. This will not look good in the whole picture of Global e-retailing industry.

E-Retailing Trends and innovations

The world of online shopping is constantly. Evolving, driven by trends and new innovations. Thanks, to the use of smart phones

consumers can now. Make purchases at any time and from anywhere. To provide a shopping experience it's important for retailers to ensure that their websites and platforms are user friendly, across different devices. Nowadays, most shopping websites offer apps that are often more user friendly and efficient, than the websites. This results into an improved experience for consumers.

One emerging trend in the e commerce sector is the integration of Augmented Reality (AR) and Virtual Reality (VR) technologies. These advancements enable customers to visualize products in a setting enhancing their shopping journey. For instance when buying a lipstick, these technologies can help the consumer select shades that complements their skin tone.

Similarly, when purchasing a furniture and the consumer is unsure about how it will look in their home; they can utilize Augmented Reality by using their phone camera to find the perfect furniture fit, for the particular space they have. Therefore, by allowing customers to virtually try on clothing or visualize how furniture would look in their living spaces online retailers can decrease the likelihood of returns.

E-Retailing and Its Impact on Consumer Behavior

Electronic retailing has affected consumer behavior greatly. In this era of online shopping's convenience and accessibility, consumers are the best informed and empowered. They are able to get information from a wide range of sources such as product reviews, social influencers' recommendations, price comparisons among others. These influence what they buy either directly or indirectly. Furthermore, e-retailing has changed how consumers relate with brands. Social media platforms and other online communities have provided spaces for customers to express their views; share their experiences and reviews; connect with similar minded individuals among other reasons. This has made brands become more transparent, responsive and consumer centric so as to build trust and loyalty.

E-Retailing and Its Social Impact

The social effect of e-retailing is on many fronts. On the one hand, e-retailing has enabled access to products and services from cities to villages. People in remote areas or those with limited mobility now can buy a wider variety of goods than ever before due to internet shopping capabilities that were not there previously.

In addition, e-retailing has also increased the ability of customers to make more sustainable choices. Eco-friendly, ethical brands have emerged, giving consumers an opportunity to choose products as per their ideals like vegan and cruelty free cosmetics or fair-trade and recycled clothing. Furthermore, e-retailers are implementing various eco-friendly measures such as carbon-neutral shipping and packaging that help in reducing the environmental impacts associated with online shopping. However, there is a flipside to this trend of e-retailing – social isolation. Since many people shop online today, there are fewer face-to-face interactions (or less community engagement) which could have great implications for cohesive society and mental health status of individuals. People should

learn how to balance between internet-based activities and real-life ones to enable them maintain social contacts and sense of belongingness.

SUGGESTIONS

From the above analysis it can be suggested that

1. The business organizations can enhance the user experience by designing the website more user friendly, optimized so it can be easily used by the customers through mobile devices. And they also should improve the allover loading and navigation speed of the website for smooth consumer experience.
2. They should also improve the customer care services so the grievances can be resolved within short period of time. As consumers sole dependence lies upon the photos and information provided in the website and app, it is crucial that the seller establishes trusted relationship with the buyers.
3. The businesses should focus on the sustainability of the products they produce, as we are witnessing major climate changes and record-breaking temperature fluctuations; it is important that the companies in e-retail business adopts some sustainable habits which will be beneficial for the human race in the long run.
4. The e-retailers also need to provide safe and secure payment gateway to its consumers. We are living in a period of digital renaissance, and most of the people are using it to make payment in the online and offline purchases. It is crucial for the e-retailers to maintain data protected and regulated payment gateways so the sensitive information about the customers doesn't pass into wrong hands.
5. The e-retailers should focus on customer feedback about their experience in their respective platforms. It will not only improve the customer experience but also will help to establish trust and goodwill regarding the e-retailer which will ultimately benefit him in the long run.

FINDINGS AND CONCLUSION

The findings from the above article can be stated in following points:-

1. **Market Expansion:** Global e-retailing markets have grown remarkably. Using of mobile devices and changes in consumers shopping behaviour have driven this growth.
2. **Asia-Pacific Domination:** The Asia-Pacific region has been a contributor of the growing global e-retail industry, although currently, this is mainly due to the growth happening in China and India. In India after the pandemic, there are multiple small and large scale e-retailers are making their way into the market. And India is also taking a big step ahead into the global manufacturing industry.
3. **Scope of Growth:** There is tremendous growth opportunities into the e-retailing industry as India is one of the fastest growing economy in the world. And with the growth of technology, anyone can buy or sell a product from anywhere in the help.

The above analysis indicates that the E-retailing has a deep influence on global market and society at large. It's changed the way customers used to shop years back giving them power of

convenience and choices. Global pandemic in 2020 influenced retailing as well as tech industries transforming them into e-commerce mode. And this has some good and bad impact on the consumers and the society. At large, it disrupted traditional retail sectors and cost others of them an opportunity to change or face extinction. E-retailing has given an avenue for small scale industries, businesses as well entrepreneurs to compete in global level hence driving economic growth. Nevertheless, e-retailing also poses various challenges and risks like cyber security threats and job losses in traditional retail sector that needs addressing. As e-retailing continues to evolve and innovate, there is need for responsible navigation of digital landscape by businesses, policy makers and individuals to maximize its advantage to both consumers as well as businesses.

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